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Proposed programme budget for the biennium 2002-2003*

Part IV
International cooperation for development

Section 11B
International Trade Centre UNCTAD/WTO

(Programme 9 of the medium-term plan for the period 2002-2005)

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* The present document contains section 11B of the proposed programme budget for the biennium 2002-2003. The approved programme budget will subsequently be issued in final form as *Official Records of the General Assembly, Fifty-sixth Session, Supplement No. 6* (A/56/6/Rev.1).

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Section 11B
International Trade Centre UNCTAD/WTO

(Programme 9 of the medium-term plan for the period 2002-2005)

Overview

Resource requirements (before recosting): Sw F 30,242,100; (after recosting): US$ 18,022,600

11B.1 The International Trade Centre UNCTAD/WTO (ITC) acts as the focal point for all United Nations technical cooperation activities in trade promotion, as affirmed by the Economic and Social Council in its resolution 1819 (LV) of 9 August 1973. The Centre is responsible for the implementation of subprogramme 6, Operational aspects of trade promotion and export development, of programme 9, Trade and development, of the medium-term plan for the period 2002-2005 (A/55/6/Rev.1). The United Nations and the World Trade Organization equally share the funding of the programme. The revised budgetary arrangements with regard to ITC were set out in the report of the Advisory Committee on Administrative and Budgetary Questions (A/53/7/Add.3, para. 11) and endorsed by the General Assembly in its decision 53/411 B of 18 December 1998.

11B.2 The programme of the Centre is reviewed annually by the Joint UNCTAD/WTO Advisory Group on the International Trade Centre, which is open to Member States of the United Nations Conference on Trade and Development and members of WTO. It is the main intergovernmental policy forum of the Centre. The WTO General Council and the Trade and Development Board of UNCTAD review the Joint Advisory Group's reports annually.

11B.3 In line with these revised arrangements, the Secretary-General submitted to the General Assembly the outline of the proposed programme budget for the biennium 2002-2003 for ITC (A/55/797). The amount proposed in the outline represented an increase of 3.7 per cent in real terms. The Assembly, in its decision 55/483 of 14 June 2001, took note of the outline, in which the United Nations share was estimated at Sw F 29,772,300 (equivalent to $16,916,100 at Sw F 1.76 to US$ 1.

11B.4 The amount proposed for the programme budget of ITC for the biennium 2002-2003 contained in the present report represents an increase of 3.1 per cent in real terms. The biennial contribution of each organization, after deducting the anticipated miscellaneous income, is estimated to be Sw F 30,277,900, representing resource growth after recosting of 3.28 per cent using the methodology applied by WTO. The increase results mainly from the proposals for: (a) strengthening in-house capacity in electronic trade through the establishment of one P-5 post and one General Service post under the Division of Trade Support Services; (b) the establishment of one P-2 post under the Division of Product and Market Development, offset by the abolition of one General Service (Principal level) post in the Division; (c) the reclassification of one P-4 to the P-5 level and the establishment of two P-3 and two P-2 posts, to be offset by the abolition of the same number of General Service (Principal level) posts under programme support; (d) requirements for expertise not available in the Centre for mainstreaming the core activities of the Executive Forum for National Export Strategies and the implementation of the Integrated Management Information System; (e) information and communication technology equipment; and (f) resources for jointly financed activities such as global security measures.

11B.5 Table 11B.1 shows the requirements for the biennium 2002-2003 expressed in Swiss francs. On the basis of an exchange rate of Sw F 1.76 to US$ 1, the provision requested for the United Nations contribution for the biennium 2002-2003 would be $17,203,350. This compares with the figure referred to in paragraph 11B.3 above and exceeds it by some $287,250. Proposals are currently

before the Fifth Committee to recost the 2002-2003 programme budget to reflect the latest data on exchange rates. On that basis, the ITC budget would need to be recosted at Sw F 1.68 to US$ 1. The requirements for section 11B would thus amount to $18,022,600.

Table 11B.1 **Estimated resource requirements**

(in thousands of Swiss francs)

Category	*2000-2001 appropriation*	*Resource growth*	*Total before recosting*	*2002-2003 estimate*	*2002 estimate*	*2003 preliminary estimate*
Post	46 546.6	476.9	47 023.5	46 766.7	23 341.9	23 424.8
Non-post	12 897.4	1 373.3	14 270.7	14 599.0	7 290.8	7 308.2
Total	**59 444.0**	**1 850.2**	**61 294.2**	**61 365.7**	**30 632.7**	**30 733.0**
Less income	810.0	-	810.0	810.0	405.0	405.0
Net amount to be shared by each organization	58 634.0	-	60 484.2	60 555.7	30 227.7	30 328.0
Contribution share by each organization	29 317.0	-	30 242.1	30 277.9	15 113.9	15 164.0

11B.6 At the thirty-fourth session of the Joint Advisory Group, held in the spring of 2001, a proposal was made that the official documentation of the Group be issued in the Arabic and Chinese languages in addition to English, French, Russian and Spanish. Another view was expressed that administrative costs should not be increased. It was agreed to bring this issue to the attention of the ITC parent bodies. The report of the Group has been submitted to WTO and the Trade and Development Board of UNCTAD. None of these bodies has yet taken a decision on this issue.

11.B.7 Table 11B.2 shows the post requirements in summary form for both regular budget and extrabudgetary resources.

Table 11B.2 **Post requirements**

	Established regular budget posts		*Temporary posts*				*Total*	
			Regular budget		*Extrabudgetary*[a]			
Category	*2000-2001*	*2002-2003*	*2000-2001*	*2002-2003*	*2000-2001*	*2002-2003*	*2000-2001*	*2002-2003*
Professional and above								
ASG	1	1	-	-	-	-	1	1
D-1/D-2[a]	5	5	-	-	1	1	6	6
P-1/P-5	62	68	-	-	7	7	69	75
Subtotal	**68**	**74**	-	-	**8**	**8**	**76**	**82**
General Service	78	74	-	-	11	8	89	82
Total	**146**	**148**	-	-	**19**	**16**	**165**	**164**

[a] One D-1 extrabudgetary post is currently frozen.

Programme of work

11B.8 The focus of the work of ITC is on supporting developing countries and countries with economies in transition, particularly their business sector, in building national capacity to realize their full potential for developing exports and improving import operations with the ultimate goal of achieving sustainable development. The Centre deals specifically with the operational aspects of trade promotion and export development, and it principally provides downstream technical assistance to identify new trading opportunities and to address the business implications of the multilateral trading system. Priority is given to the least developed countries, with due account taken of the special needs of small and medium-sized enterprises in those countries.

11B.9 ITC endeavours to direct its technical cooperation towards country-level projects, through which packages of assistance covering several areas are provided. Activities are also undertaken at the global level in response to the collective needs of beneficiary countries, including applied research on trade promotion and export development techniques, with a view to building a consistently high standard into the Centre's technical inputs and reducing the lead time for, and the costs of, delivery to multiplier institutions and ultimately to small and medium-sized enterprises at the national level.

11B.10 The organizational structure of the Centre, headed by an Executive Director, will continue to comprise three operational divisions and the Division of Administration. Among the operational divisions, the Division of Trade Support Services and the Division of Product and Market Development will have responsibility for specific objectives of subprogramme 6 of programme 9, of the medium-term plan for the period 2002-2005. A high degree of synergy will be established between the two divisions during the implementation of the programme of work.

11B.11 The Division of Technical Cooperation Coordination will work with the two other operational divisions by maintaining liaison with the beneficiary countries to coordinate ITC field-level activities, including relations with field-based donors, and to ensure that all activities are consistent with national and regional trade promotion needs and priorities. The Division will lead and coordinate the Centre's needs assessment and programme design core service and will manage integrated national and regional projects containing technical components falling under the purview of the two other operational divisions (multidisciplinary projects). Special emphasis will continue to be placed by the Division on technical cooperation with least developed countries within the Integrated Framework for Technical Assistance to Support Trade-related Activities in Least Developed Countries and the Joint ITC-UNCTAD-WTO Integrated Technical Assistance Programme in selected least developed countries.

11B.12 ITC proposes to mainstream into its overall technical cooperation approach the Executive Forum on national export strategies as of 2002. The Executive Forum is an ongoing research and consultative process with three objectives: to develop and document "best practice" benchmarks for national export strategy makers; to facilitate the strengthening of the public/private sector partnership in the preparation and implementation of national export strategies; and to reinforce the linkage between export strategy and other economic and social priorities (e.g., poverty reduction). The Executive Forum, organized on an annual basis since it was launched in 1999, has proven to be an innovative and effective way to build awareness at the highest level of government and industry. It has also established itself as an important vehicle for stimulating technical cooperation among developing countries.

11B.13 Each event concentrates on a specific theme identified during the previous year's Forum, thus progressively and coherently unfolding issues of strategic value for the export performance of developing countries and transition economies and creating a continuum in the dialogue among national strategy makers and strategy influencers. It should be noted that on the basis of their participation in the 1999 and/or 2000 Executive Forum, several national teams have initiated action

to restructure their approach to export strategy design and management on the basis of best-practice scenarios developed during the Executive Forum process. Others have placed their strategy-management approach under review and have requested technical support from ITC. Others have focused on specific issues, for example the development of national electronic trade portals, and have requested ITC to provide specialized inputs. A degree of technical cooperation among network members has also begun. It is expected that such practical follow-up will become an increasing important feature of the Executive Forum process.

11B.14 The yearly Executive Forum involves a three-phase approach implemented over 12 months. It begins with applied research on a selected theme relevant to the effective management of national export strategy and the development of international competitiveness. All Executive Forum network members are invited to participate in the research phase, which involves regular email discussions, a brainstorming session in Geneva with theme specialists and the maintenance of an interactive web site. This combination of activities results in the preparation of best-practice scenarios of key issues relevant to the selected theme. The research phase is followed by consultation among selected senior decision makers with debate focusing on how these best-practice scenarios can be adapted to national circumstances. The 12-month cycle culminates in the targeted dissemination of a publication and the initiation of national consultation on possible follow-up.

11B.15 The Centre is placing at the forefront of its agenda the development of electronic business awareness and competence in developing countries and transition economies. As part of a broad electronically facilitated trade development strategy, based on an extensive analysis of the evolving commercial practices in the international marketplace and on consultations with trade support institutions and the business community in both developing and developed countries, ITC has launched in 2001 a programme for such trade development inspired by the goal of building the electronic trade bridge for small and medium-sized enterprises. The programme's overall objective is to help enterprises, especially in the least developed countries, to bridge the digital divide created by the uneven impact of the benefits of information and communication technologies (ICT) in the area of international trade.

11B.16 This action-oriented programme, which is expected to start reaching its full momentum in 2002, will assist enterprises, their support agencies and Governments to better understand the new ICT-based tools and services and to build capacity to apply them in day-to-day business to improve international competitiveness and trade prospects. The programme goes beyond mere electronic commerce or doing transactions over the Internet. It harnesses a range of electronically facilitated services for trade development by creating awareness, building knowledge and creating competencies at the operational level. The implementation of the programme on building the electronic trade bridge for small and medium-sized enterprises and of the electronically facilitated trade development strategy will require and generate synergies across the whole ITC technical programme in a needs-based and flexible approach to adapt to each country's state of electronic readiness.

11B.17 The programme on building the electronic trade bridge for small and medium-sized enterprises is guided by three main strategic objectives: raising awareness of potential opportunities and threats; building knowledge that transforms raw information into tools for improved performance; and creating competence in the new business processes and tasks for improved business performance. The programme will be developed through the complementary mix of two main tracks of awareness creation and know-how development activities, targeting respectively the institutional sector and the enterprises. It will be delivered in collaboration with intermediaries and features a mix of training, diagnostic and other practical tools, in-company counselling and access to information and networks of small and medium-sized enterprises. The implementation of the

electronically facilitated trade development strategy, besides implying for ITC the mobilization of state-of-the-art expertise, sustaining a continuous learning process and working with a vast network of partners at the local and international levels, will require strong coordination within the organization itself owing to the implications of electronic business on the programmes of all divisions and the synergies required to be effectively maintained.

Table 11B.3 **Objectives for the biennium, expected accomplishments and indicators of achievement**

Objective: To build national capacity to identify new trading opportunities and to address the business implications of the multilateral trading system by creating links to specific products and markets with a view to enabling developing countries and countries with economies in transition to realize their full potential for developing export operations and improving import operations.

Expected accomplishments	*Indicators of achievement*
(a) Establishment of national core expertise in multilateral trading system issues that involves a good understanding of product and market reality and potential.	(a) (i) Quality of support to existing national multilateral trading systems and the level of relevant support provided; (ii) Extent of business sector involvement in the development of country positions on multilateral trading system issues.
(b) Formulation of trade development strategies that take into account supply capacities, international demand and best practices.	(b) (i) Number of national and sector-level strategies developed; (ii) Extent of the active cooperation of the public and private sectors in national and sector-level strategies.
(c) Reinforcement of national trade support institutions, which provide business development and competitiveness enhancement services to the business community. Special emphasis will be given to women entrepreneurs.	(c) (i) Expansion of the scope of trade support services provided by trade support institutions, including gender-related programmes; (ii) Expanded national customization of generic tools under the ITC product-network approach and network activation.
(d) Improvement of trade performance in selected product and services sectors.	(d) (i) Business opportunities developed as a result of supply and demand matchmaking and other trade-support activities; (ii) Contribution of the Centre's research and product/market studies to sector strategies, trade support institutions and small and medium-sized enterprises.

Expected accomplishments	*Indicators of achievement*
(e) Increase in entrepreneurship skills for exports and in competitiveness at the enterprise level.	(e) (i) Level of demand among export managers for training, skill development and advisory services from local institutions partnering with ITC; (ii) Extent of specialized competitiveness support programmes available to small and medium-sized enterprises through local organizations and networks supported by ITC.

External factors

11B.18 ITC develops its offering of services based on its own research work and/or in response to demand from beneficiaries and donors in the evolving environment of the multilateral trading system. Changes in the multilateral trading system and related needs and priorities of the clients may call for the reorientation and adaptation of the Centre's programme of work. This occurs annually within the framework of the Joint Advisory Group meeting. The outcomes of the World Bank-led strategic analysis for poverty reduction and of the integrated framework for trade-related technical assistance process for the least developed countries, as well as the demand emanating from the annual ITC-led Executive Forum on trade development strategies may also have an influence. Finally, ITC being eminently a technical cooperation agency, the level of achievements in the field is dependent upon the availability of extrabudgetary resources.

Outputs

11B.19 During the biennium 2002-2003, the following outputs will be delivered:

(a) Servicing of intergovernmental and expert bodies:

(i) Substantive servicing. Two formal and two informal meetings of the Joint Advisory Group (4); Global Trust Fund Meetings (6); and Common Trust Fund meetings (4);

(ii) Parliamentary documentation. ITC annual report; statistical appendix; report of the Consultative Committee of the Global Trust Fund and technical evaluation reports as required; progress reports; and financial reports.

(b) Substantive activities:

(i) Recurrent publications. *International Trade Forum* (8 issues); international trade documentation (8); selective bibliography of published market research (2); world directory of trade promotion organizations and other foreign trade bodies (2); directory of importers' associations (2); international trade statistics PC-TAS (trade analysis system) on CD-ROM (2); global spice markets (2); export packaging notes (8); PACKDATA fact sheets (8); export quality notes (4); packaging awareness bulletins (8); trade finance press abstracts (8); *World Tr@de Net* newsletter (24); world directory of organizations dealing with standards, technical regulations, sanitary and phyto-sanitary measures, eco-labelling, quality management and accreditation (2); international purchasing and supply link bulletin (6); and world directory of purchasing and supply management associations (2);

(ii) Non-recurrent publications. Two publications on the Executive Forum themes; a publication on how to operate a trade information service: guidebook for trade information managers in developing countries; a series of market briefs; a guide for coffee exporters; a market survey on the Japanese market for organic food and beverages; a guide on developing professional associations; a guide on performance-based contracting; a guide on the application of Internet technologies to the supply chain; an ITC/World Intellectual Property Organization guide on the effective use of legal protection of original craft items; a legal guide on doing trade in the member countries of the Organization for the Harmonization of Business Law in Africa; a market study on secondary processed wood products; a series of country profiles for information technology and environmental industries; studies on new trends in exporting services (2); "PACKit" booklets; a compendium of success stories of small enterprises in international trade; ISO 9000 for small businesses; practical guidebooks for small and medium-sized enterprises (the Trade Secrets series); a handbook on the business implications of selected WTO agreements; and a manual on human resources development in international business;

(iii) Technical material for outside users: COMTRADE-related computerized applications for analysis of exports and imports at the country and product levels; product- and country-specific market analysis portals as well as interactive trade market analysis portals; bibliographic and referral databases; special surveys on information sources, including online databases, CD-ROMs and Internet sites; training materials and software applications (e.g., for library management and company registers); Internet web pages for products and services; standards, tools and methodologies for trade information services; Market News Service reports providing wholesale prices and other market intelligence for a number of products; computerized databases on export packaging (PACKDATA and affiliates) and on legal aspects of foreign trade (JURIS International); and "E-law" kit (information and training materials relating to the legal aspects of electronic commerce); "The Competitive Edge" (benchmarking systems for specific sectors); "fitness checkers" (self-diagnostic tools for small and medium-sized enterprises); Trade Support Institution Index (benchmarking tool for the provision of trade support services); "World Trade Net" (WTO-related business information materials); sets of teaching materials for export capacity development on various management and international business topics for small and medium-sized enterprises; world online database of purchasing and supply management associations; computer-based operational management tools for purchasing and supply management associations (e.g., for managing membership, finance, services, etc.); and electronic commerce road map (an Internet-based awareness and knowledge-building tool).

(c) International cooperation and inter-agency coordination and liaison:

(i) Liaison and coordination will be maintained with WTO and UNCTAD on a regular basis. An integrated approach with those organizations will be pursued in needs assessments and programme design as well as in technical cooperation delivery, particularly in the context of the Joint ITC-UNCTAD-WTO Integrated Technical Assistance Programme in selected least developed countries. Cooperation will be maintained with UNCTAD within the framework of the ITC programme on capacity-building and networking for business information services and with WTO in the framework of the ITC programme on business development and the WTO agreements. Close liaison and coordination will be maintained, through the Inter-Agency Working Group of the Integrated Framework for Technical Assistance to Support Trade-related Activities in Least Developed Countries, with the other core agencies: the International

Monetary Fund, UNCTAD, the UNDP, the World Bank and WTO. Through the Division of Technical Cooperation Coordination, networking ties will be maintained with UNDP at the country level;

(ii) Contacts will be maintained and networking arrangements extended with international organizations as well as with public and private entities at the national, regional and interregional levels dealing with issues relating to the objective of the subprogramme, notably the Common Fund for Commodities, the Commonwealth Secretariat, ESCAP, FAO, ILO, the International Organization for Standardization, ITU, OECD, UNESCO, UNIDO and WIPO;

(d) Technical cooperation:

(i) Advisory services: short-term missions will be organized, in response to requests from Governments and institutions at the national, subregional and regional levels, to assess, design and formulate specific technical cooperation projects or components of programmes within the framework of the UNDP programme approach while generating synergy with other locally operating technical cooperation partners. Specific technical areas covered by the advisory services will include:

a. How to assess users' needs and the capacity gaps of information providers; setting up, promoting and managing trade information services and networks and measuring the relevant performance; undertaking market analysis; assessing the potential for export development and the requirements for effective international marketing and promotion in selected product areas; identifying international market opportunities for products and services at the sectoral and enterprise levels, particularly for small and medium-sized enterprises; enhancing the ability of product-based associations to support individual exporting enterprises both for non-traditional products and traditional commodities;

b. Business implications of the multilateral trading systems and institutional services; enterprise competitiveness; trade finance; trade law; quality management and standards; export packaging; development of human resources development strategies and of training programmes and curricula; institutional and management support to purchasing and supply management associations and other international purchasing and supply change management support and service organizations; support to enterprises in international purchasing and supply chain management, including in Internet-based electronic commerce and computer-based supply chain management systems; reform and improvement of public procurement systems; development of international purchasing and supply chain management training, information and consultancy capacity;

(ii) An inquiry and reply service will also be regularly available, handling approximately 4,000 enquiries;

(iii) Group training: approximately 140 training events (4,800 participants) on selected topics;

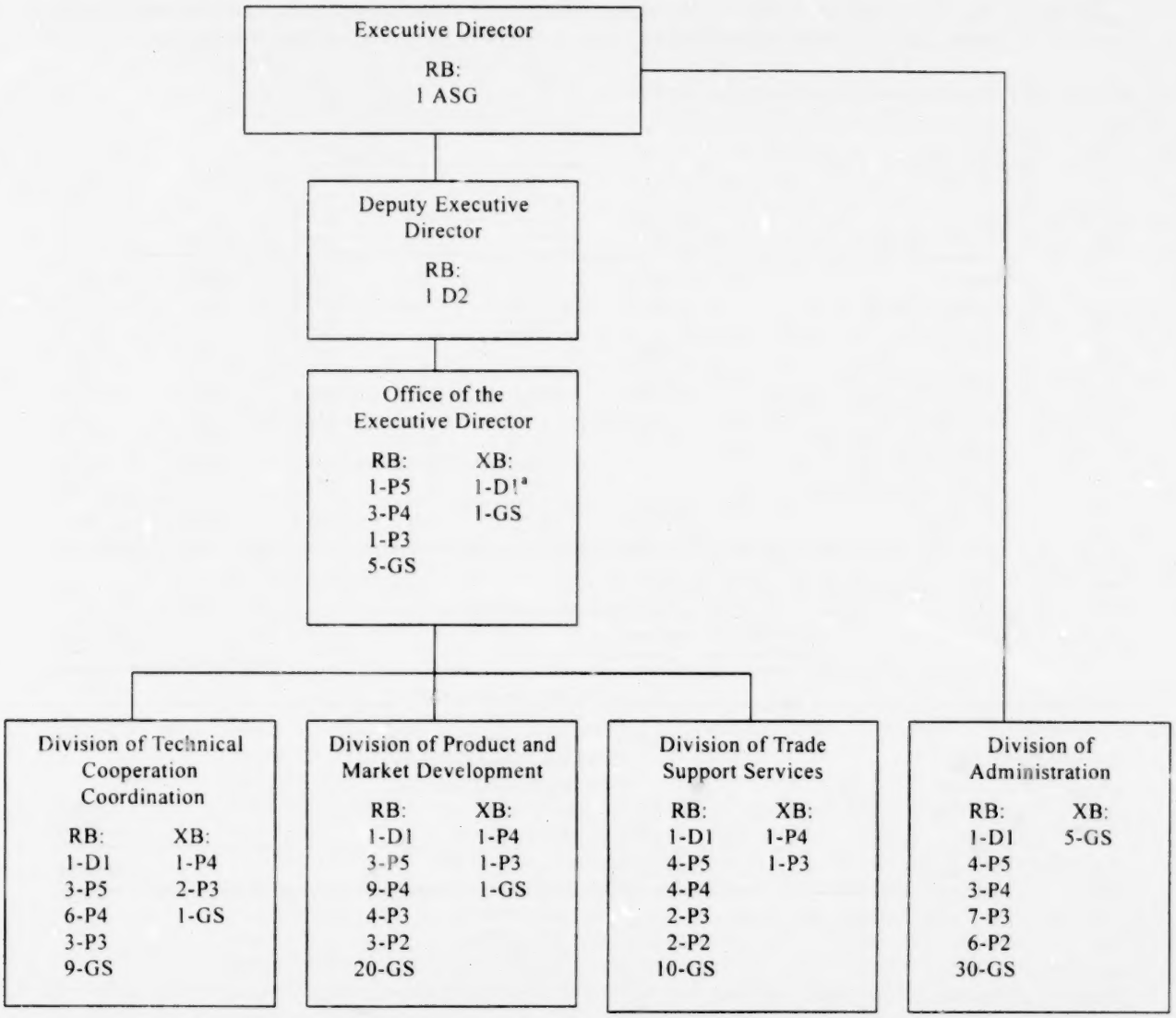
(iv) Field projects (XB): about 95 projects are expected to be implemented (53 national, 20 regional and 22 interregional).

Table 11B.4 **Summary of follow-up action taken to implement relevant recommendations of the internal and external oversight bodies and the Advisory Committee on Administrative and Budgetary Questions**

Brief description of the recommendation	*Action taken to implement the recommendation*
Advisory Committee on Administrative and Budgetary Questions (A/55/7/Add.10)	
The Advisory Committee requests that information be provided on the experience in applying the revised administrative arrangements as approved by the General Assembly in decision 53/411 B (para. 6).	These arrangements were first implemented for the biennium 2000-2001. This is therefore the second biennium to which the revised administrative arrangements have been applied. The process will culminate when the formal review by the Advisory Committee and the General Assembly and the review process of the budgetary committee of WTO is completed. It was believed to be preferable to wait for the completion of a second exercise to gain a better perspective of the functioning of the arrangements. A report will therefore be prepared during the first quarter of 2002 for submission to the Advisory Committee and WTO on the lessons learned.
Board of Auditors (A/55/5 (vol. III))	
The Board recommended that ITC ensure that the liabilities for end-of-service benefits, post-retirement benefits and annual leave are disclosed in the financial statements for the biennium 2000-2001 (para. 11 (a)).	An inter-organizational study led by the United Nations will be conducted to determine the actuarial valuation of the Centre's liabilities for post-retirement health insurance, which is administered by the United Nations Secretariat. In accordance with the United Nations accounting standards, ITC intends to disclose this liability in the notes to the financial statements for the biennium ending December 2001.
The Board recommended that ITC liaise closely with the United Nations Office at Geneva to ensure that the IMIS module required to address the Centre's specific reporting requirements is developed and implemented as soon as possible (para. 11 (c)).	The success of the implementation of IMIS depends to a large extent on the support provided by both Headquarters and the United Nations Office at Geneva. The support that can be provided by them will depend on the resources available to and the workload pressures on them. Following discussions, ITC intends to complete the implementation of IMIS in mid-2002. Preparatory work had started as at August 2001 on the remaining parts of the system to be implemented (Releases 3 and 4) and is expected to continue until mid-2002. A component of Release 4, time and attendance, is scheduled to be implemented in November 2001.

International Trade Centre UNCTAD/WTO

Organizational structure and post distribution for the biennium 2002-2003



[a] Currently frozen.

Annex

Indicative resource requirements International Trade Centre UNCTAD/WTO

A.11B.1 The distribution of the ITC regular budget resources by object of expenditure and the staffing table requirements, as well as the estimates for extrabudgetary resources, are described below.

Table A.11B.1 **Requirements by object of expenditure**

(Thousands of Swiss francs)[a]

(1) *Regular budget*

Object of expenditure	*2000-2001 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2002-2003 preliminary estimate*
		Amount	*Percentage*			
Posts	46 546.6	476.9	1.0	47 023.5	(256.8)	46 766.7
Other staff costs	1 466.8	(228.9)	(15.6)	1 237.9	81.7	1 319.6
Consultants	-	828.6	-	828.6	-	828.6
Travel	621.7	-	-	621.7	38.0	659.7
Contractual services	3 138.1	71.3	2.3	3 209.4	60.0	3 269.4
General operating expenses	5 993.8	(48.2)	(0.8)	5 945.6	74.3	6 019.9
Hospitality	16.8	-	-	16.8	2.2	19.0
Supplies and materials	934.3	(1.2)	(0.1)	933.1	108.1	1 041.2
Furniture and equipment	725.9	172.8	23.8	898.7	(36.0)	862.7
Grants and contributions	-	578.9	-	578.9	-	578.9
Total	**59 444.0**	**1 850.2**	**3.1**	**61 294.2**	**71.5**	**61 365.7**

(2) *Extrabudgetary*

1998-1999 expenditure	*2000-2001 estimate*	*Source of funds*	*2002-2003 estimate*
		(a) Services in support of:	
-	-	(i) United Nations organizations	-
6 955.5	5 549.3	(ii) Extrabudgetary activities	5 937.0
-	-	(b) Substantive activities	-
		(c) Operational projects	
12 793.4	6 105.4	(i) UNDP	6 970.0
39 288.5	39 593.0	(ii) Trust funds	40 713.0
59 037.4	**51 247.7**	**Total**	**53 620.0**

[a] At an exchange rate of Sw F 1.76 to US$ 1.

Table A.11B.2 **Post requirements**

Category	Established regular budget posts		Temporary posts: Regular budget		Temporary posts: Extrabudgetary		Total	
	2000-2001	2002-2003	2000-2001	2002-2003	2000-2001	2002-2003	2000-2001	2002-2003
Professional and above								
USG	1	1	-	-	-	-	1	1
D-2	1	1	-	-	-	-	1	1
D-1	4	4	-	-	1	1	5	5
P-5	13	15	-	-	-	-	13	15
P-4/3	41	42	-	-	6	7	47	49
P-2/1	8	11	-	-	1	-	9	11
Subtotal	**68**	**74**	**-**	**-**	**8**	**8**	**76**	**82**
General Service								
Principal level	5	-	-	-	-	-	5	-
Other level	73	74	-	-	11	8	84	82
Subtotal	**78**	**74**	**-**	**-**	**11**	**8**	**89**	**82**
Total	**146**	**148**	**-**	**-**	**19**	**16**	**165**	**164**

Resource requirements (before recosting)

Posts

A.11B.2 The estimated requirements of Sw F 47,023,500, reflecting an increase of Sw F 476,900, would provide for the funding of 148 posts in the Centre, including 74 in the Professional category and above and 74 in the General Service and related category. In comparison with the approved budget for the prior biennium, the proposed staffing for the biennium 2002-2003 includes the following proposals:

(a) The establishment of one P-5 post and one General Service post under the Division of Trade Support Services to work on issues related to electronic trade. Based on extensive research and consultation involving Governments, trade support institutions and businesses, and as a complement to the traditional approaches to trade promotion, ITC developed a strategy for building electronic trade capabilities, especially in small and medium-sized enterprises in developing countries and transition economies. The strategy aims at creating awareness, building knowledge and creating competencies, both at the enterprise and support institution levels. The incumbent of the P-5 post would manage and supervise the planning, design, development and implementation of electronic trade for developing country projects worldwide and would provide advice in the definition of strategies and solutions in matters related to the transfer and use of electronic trade and other related issues in developing countries. The incumbent of the General Service post would provide support to the P-5 post and assist in the logistical and administrative arrangements for the preparation of technical workshops, training programmes and seminars in developing countries, as well as in the preparation of technical materials on electronic trade matters;

(b) The establishment of one P-2 post for a market analyst, offset by the abolition of one General Service (Principal level) post under the Division of Product and Market Development. The incumbent of the post would be responsible for the identification, analysis, compilation and

assembling of information on specific products, markets and functions; the maintenance of databases; and the compilation of market research files;

(c) Under the Division of Administration:

(i) The reclassification of one P-4 post to the P-5 level for the Chief of the Information and Communications Section to make the level commensurate with the responsibilities of the post, namely, the overall management of the central information technology section, including planning, directing and coordinating the information technology activities of ITC and directing the development, analysis, implementation and operations of the electronic data-processing operation and information systems;

(ii) The establishment of two P-3 posts for a systems analyst and a network and web systems specialist because of changes in skill requirements and the need to retain qualified staff at appropriate levels. The incumbent of the systems analyst post would be responsible for developing, implementing, maintaining and improving information systems as well as for the electronic dissemination of information on the various ITC platforms. The network and web systems specialist would be responsible for the operational and technical activities, administration and support of the network and telecommunication infrastructure related to the web Intranet, Internet-related systems and database servers;

(iii) The establishment of two P-2 posts, one for a staff member responsible for the development and maintenance of the ITC web site in order to supplement its traditional information-sharing tools (publications, technical papers, seminars and training material) with electronic tools responsible for quality assurance, monitoring and advisory functions concerning the ITC Internet and Intranet and who would act as secretary of the Web Committee and as focal point for coordinating the ITC activities in this area with the web sites of other organizations; and one for an associate finance officer post responsible for functions related to the recording, reconciliation and closure of ITC accounts and the preparation of financial reports and statements.

A.11B.3 The establishment of the two P-3 and two P-2 posts described above under the Division of Administration would be offset by the abolition of the same number of General Service posts the functions of which do not correspond any longer to the skills required at the Professional level.

A.11B.4 It is also proposed to redeploy Sw F 160,000 previously approved under posts for joint medical services provided by the World Health Organization to grants and contributions in order to better reflect the nature of the expenditure (see below).

Other staff costs

A.11B.5 Estimated requirements of Sw F 1,237,900, reflecting a decrease of Sw F 228,900, for the Centre as a whole include:

(a) A provision of Sw F 403,300 for temporary assistance for meetings related to the annual sessions of the Joint UNCTAD/WTO Advisory Group on the International Trade Centre, of five working days' duration. This provision reflects a decrease of Sw F 156,000 owing to a reduced number of Joint Advisory Group and technical meetings;

(b) A provision of Sw F 773,400 (reflecting a decrease of Sw F 86,600) for general temporary assistance to cover the cost of replacing staff on sick leave or maternity leave and for recruiting additional temporary staff to cope with peak workload periods;

(c) An amount of Sw F 61,200 (reflecting an increase of Sw F 13,700) for overtime to meet peak workload requirements during the biennium, including the implementation of IMIS.

Consultants

A.11B.6 The estimated requirements of Sw F 828,600 are proposed as follows:

(a) A provision of Sw F 585,000 for consultancies and resource personnel to assist and participate in issues and meetings related to the Executive Forum, including: (i) research, case writing and definition of best practices in the thematic area; (ii) a preparatory brainstorming session to finalize the issues, research agenda and programme; (iii) assistance in the dialogue/consultative phase; and (iv) support of global outreach through participation in four electronic conferences;

(b) An amount of Sw F 219,600 for expertise not available in the secretariat regarding the introduction of IMIS in ITC, including its adaptation and implementation as well as the customization of reports for ITC and future ITC requirements;

(c) A provision of Sw F 24,000 relating to the actuarial study led by the United Nations Secretariat on the liability of the organization for after-service health benefits.

Travel

A.11B.7 An amount of Sw F 621,700, at the maintenance level, is required for consultations with Governments and international and regional intergovernmental organizations as well as for ITC representation at meetings of relevant bodies of the United Nations system.

Contractual services

A.11B.8 The estimated requirements of Sw F 3,209,400, reflecting an increase of Sw F 71,300, would relate to:

(a) An amount of Sw F 446,200 for language and other specialized training, such as in information technology;

(b) A provision of Sw F 617,600 (reflecting an increase of Sw F 76,000) for contractual translation and revision of the quarterly magazine *International Trade Forum*, various technical publications and miscellaneous documents;

(c) A provision of Sw F 759,900 (reflecting a decrease of Sw F 6,800) to cover the requirements for publication of the *International Trade Forum*, various technical publications and miscellaneous documents;

(d) An amount of Sw F 140,000 to cover the costs of public information activities and multimedia tools;

(e) An amount of Sw F 1,245,700 (reflecting an increase of Sw F 113,400) to provide for contractual services relating to the organization of ICT activities, as a reflection of the increasingly important role of information and communication technologies in the organization, both in the programme of work as well as for internal communications and administration. The most significant increases relate to system development costs, partially related to the implementation of electronic strategies and the integration of IMIS data with other ITC systems. The provision would allow ITC to develop and further enhance its corporate systems for programme and project management, systems for electronic document management, business-oriented databases, administrative information and the ITC Intranet and Internet web sites and applications;

(f) It is also proposed to redeploy an amount of Sw F 111,500 under grants and contributions to better reflect expenditures under that heading (see para. A.11B.13 (e)).

General operating expenses

A.11B.9 The estimated requirements of Sw F 5,945,600, including a decrease of Sw F 48,200, relate to:

(a) Costs for rental and maintenance of premises in the amount of Sw F 3,913,000, reflecting an increase of Sw F 39,000 due to increased running costs;

(b) An amount of Sw F 882,700 (reflecting an increase of Sw F 76,600) to cover the cost of contractual rental of office and internal reproduction equipment;

(c) An amount of Sw F 833,200 (reflecting an increase of Sw F 97,400) for communications to cover telephone, facsimile and data-transfer requirements and postage. The increase is mainly to cover the rental costs of two fibre-optic lines between ITC and the United Nations Office at Geneva required due to increased data traffic related to ITC web services, access to the Geneva and Headquarters Intranets as well as upcoming regular data exchange related to IMIS;

(d) An amount of Sw F 211,500 (reflecting a decrease of Sw F 142,400) for the maintenance of furniture and equipment. The decrease results mainly from not renewing the global maintenance contract covering personal computers and desktop printers as, after several years of experience, the cost of the global contract is significantly greater than the cost of ad hoc measures when problems arise after the expiration of the warranty;

(e) An amount of Sw F 105,200 (reflecting a decrease of Sw F 118,800) to meet the costs of maintenance of supplemental services, insurance premiums to cover third-party liability and other miscellaneous requirements.

Hospitality

A.11B.10 The provision of Sw F 16,800, at the maintenance level, is for the Centre as a whole for official functions in connection with governmental officials and representatives of intergovernmental organizations.

Supplies and materials

A.11B.11 The provision of Sw F 933,100 represents aggregate requirements for office supplies, paper and other materials for reproduction purposes (Sw F 350,700) and for subscriptions to trade-related publications and online databases for information on emerging trends in international trade (Sw F 582,400).

Furniture and equipment

A.11B.12 The requirements for the Centre as a whole, estimated at Sw F 898,700 (reflecting an increase of Sw F 172,800), would cover the acquisition and replacement of office automation and information technology equipment (Sw F 516,200), as well as the acquisition of additional furniture and building accommodation equipment and software and internal reproduction equipment (Sw F 382,500).

Grants and contributions

A.11B.13 This is a new budget line, and it relates to the following new activities for which estimated requirements amounting to Sw F 578,900 are requested, as follows:

(a) Office of Internal Oversight Services investigative services (Sw F 27,000);

(b) The costs of interorganizational global security measures (Sw F 40,400);

(c) Joint medical services (Sw F 160,000, previously under posts);

(d) Joint services provided by the United Nations Office at Geneva to ITC (Sw F 240,000 for overall security, part of which was previously under general operating costs);

(e) An amount of Sw F 111,500 representing the requirements for the United Nations Board of Auditors as estimated by it after its review of the distribution of external audit costs between the regular budget and extrabudgetary resources.

Appendix

Information and communication technology

Information and communication technology is increasingly having a more important role in the organization, both in the programme of work and for internal communications and administration. This is reflected in the request for two new posts to assist in implementing the electronic trade strategy developed by ITC. In addition, the implementation of IMIS is expected to result in costs for the adaptation of ITC-specific requirements, implementation and ongoing enhancements. The Information Technology Section is also being strengthened through the proposed reclassification of one post from the P-4 to the P-5 level for the overall management of the central information technology section and the creation of two P-3 Professional posts for a network and system specialist and a systems analyst. The creation of the two P-3 posts is to be offset by the abolition of two General Service (Principal level) posts. In recognition of the increasing importance of the Internet, a proposed creation of a P-2 post for the position of a webmaster, to be offset by the abolition of a General Service (Principal level) post, is also sought. Provisions are also requested for system development costs related to the implementation of the electronic strategies, the integration of IMIS data with other ITC systems and increased capacity of digital communication lines for Internet, Intranet and IMIS purposes. Finally, increases are foreseen for equipment purchases, mostly for the replacement of equipment purchased five years earlier.

The table below summarizes the total information and communication technology resources requested for the biennium 2002-2003.

Resources allocated to information and communication technology

(in Swiss francs)

	2000-2001	*2002-2003*
Posts	973 500	1 786 700[a]
Consultants	-	219 000[b]
Contractual services	1 132 300	1 245 700[c]
General operating expenses	283 400	213 100[d]
Supplies and materials	110 200	110 200[e]
Furniture and equipment	677 400	862 600[f]
Total	**3 176 800**	**4 437 300**

[a] A new P-5 for electronic trade, 1 reclassification from P-4 to P-5, the creation of 1 P-2 and 2 P-3 posts to be offset by the abolition of the same number of General Service (Principal level) posts and 1 new General Service (Other level) post for electronic trade.

[b] For IMIS implementation.

[c] ICC services, systems design and development and data integration with IMIS, and advisory services.

[d] Installation and rental of digital lines and maintenance of local area network infrastructure.

[e] Information and communication technology supplies.

[f] Acquisition and replacement of personal computers, local area network infrastructure and software.